

Date of Hearing: Wednesday, August 17, 2005 at 10am in the McDonald/Marlite Conference Center, New Philadelphia, Ohio. Subcommittee on Housing and Community Opportunity

Two sentence introduction:

I am Rev. Karen Upson, Director, Ohio Valley Relief Center and Donation Management for Belmont County, Ohio, a United Methodist Church pastor and a disaster Coordinator for United Methodist Church. I wish to share the comments for those (1500) who have concerns and issues. Many are about the Flood insurance program and have sought information, supplies or our assistance at the Relief Center.

Using my experiences from tornados, winter storms, blizzards, and the 1998 disasters of floods, along with my educational training as nurse, fireman, paramedic and minister, I worked with the Belmont County EMA, since 1998, to constructed a disaster plan for relief and donations to service each community. The program was put into action on September 9th after the first of the three floods hit our area. Since, September 2004, we at the Ohio Valley Relief Center have assisted nearly 1500 of the approximant 2500 flood families/victims from 23 communities in Belmont County. (Persons from Jefferson, Noble, Harrison, & Munroe Counties in Ohio and West Virginal have sought assistance and information.) Every week someone new comes to seek assistance that may have fallen through the cracks or who just needs some to help them. We have seen and heard many issues, and many concerns relationship to Federal assistance and "Is Ohio Ready for a Flood?" I would like at some time to offer input to some of the concerns of delayed services, but at this time I limit my comments to the subject before us. This is my testimony based on what others have lifted as issues relating to their situation and flood insurance.

These are the statements we have heard

Some were still paying off loans from the flooding of 1998 and possibly since 1993 flooding.

1- After the three years of paid flood insurance is done:

- a. Some say they are not clearly notified that the three years of FEMA paid flood insurance is done and that it was their time to pick up the cost for continual coverage.
- b. Some say that their loans were increased after the three years and cost is too high with flood insurance.
- c. Some say that each time the loan was sold it went up higher and higher and they had no control over the increase of their payments.
- d. Some say the loan/mortgage was sold/bought by another funding source and their flood insurance coverage was not included, it was dropped without their knowledge.
- e. Some say the bank/funding agent told the person they needed not coverage they are not required to have it, they were not in a flood plan. Though they are next to a creek that floods. (Neffs/ Shield Hollow – possible 8 families on this road)

2- The cost:

- a. Some say it \$3,000 or more a year on top of the cost of their loan.
- b. Some say it is as high as \$1000 a month.
- c. Some say their award from FEMA was deducted to cover the amount of the flood insurance coverage.

- 3- The coverage of the flood insurance:
 - a. Some say that fast rising (flash) floodwater damages are not covered, only slow rising waters.
 - b. Some say that contents are covered only structure, is covered by their flood insurance.
 - c. Some have damage from the disaster causing land slippage that is not covered by flood insurance due to it not being floodwaters.
 - d. Some have damage in their home with family room not covered because it was in a basement.
 - e. Some have damage from sewage or run off water in their homes, due to floodwaters and flood insurance would not cover the damage.
 - f. Some have damage of flooding with orange run-off water from mine slippage, and insurance will not cover the damage. The division of mines seems not to verify mines in our area.
- 4- Now more flooding and to some who are not free from the loans of the past floods:
 - a. Some would or could not afford to apply for more loans
 - b. Some say they could not afford the additional insurance.
- 5- Dropped flood insurance:
 - a. Some say their flood insurance is now been dropped to their filing a damage claim due to these disasters.
 - b. Some say they were dropped before and without their knowledge till they went to process a claim

Suggestions for Flood insurance program.

1. Keep the information details simple and clearly written for all to understand. A one or two page, 12 font, at a 4th grade reading level overview of the information.
2. Bank/loan companies could not increase the cost of insurance once the three-year period is up for the first year or two, then a 1-3% increase (cost of living rate). Or, the increase of flood insurance is income based, or based on property value and not insurance company based.
3. Bank/loan companies are required to contact the flood plain inspectors or the County office to verify who are required to have flood insurance.
4. Local,/County officials, Flood plain inspectors have direct input to the flood insurance program and administration of the flood insurance program.
5. When loans are being sold to another loan/mortgage company the clients are to be notified in clear manner as to the selling of their loan and to the increase cost and services offered or dropped.
6. Insurance companies cannot drop clients based on nationally declared disasters damage.
7. A cap should be set for the cost of insurance policies, just as there is a cap on what insurance will pay out in damages.

Thank you for your time, your work and your consideration in these matters. I am honored to be ask to speak to you today and to be serving with you in God's mission field.